



May 22, 2020

We are working with our suppliers to support their efforts in response to the dynamic and unprecedented nature of the COVID-19 situation. The evolving and challenging marketplace dynamics mean that Nike and our suppliers must make some difficult decisions in the short term, as we work together to mitigate longer-term impacts and develop sustained viability for their businesses and employees. As they navigate these circumstances, we expect our suppliers to consider their employees' health and livelihoods and continue to comply with legal requirements and the Nike Code of Conduct on the provision of wages, benefits and severance.

We continue to place orders, taking into account impacts of market dynamics. We will continue to pay in full for finished product from all suppliers globally, while honoring previously agreed payment terms for product in production. In the case of cancelled orders, our policies and agreements with suppliers are, and have always been, that Nike will pay the appropriate amount of the order, depending on the stage of production as communicated by our supplier to enable the supplier to recover costs associated with the canceled order.

We are also working with industry organizations and other global stakeholders to develop broad based approaches to help address the current situation and we support the approaches set forth by [United States Council for International Business](#) and a [broad coalition](#) of textile, apparel and footwear industry associations.

Additional information about Nike's COVID-19 response efforts is available at purpose.nike.com.